

**ST. TAMMANY PARISH SEWERAGE  
DISTRICT NO. 1  
Covington, Louisiana**

**FINANCIAL STATEMENTS AND ACCOUNTANT'S REPORT**

**December 31, 2008 and 2007**

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 6/3/09

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# Angela J. Parker, CPA

A Professional Accounting Corporation

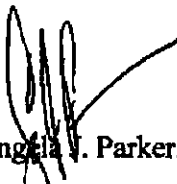
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To the Board of Commissioners  
St. Tammany Parish Sewerage District No. 1  
Covington, Louisiana

I have compiled the accompanying statement of net assets of St. Tammany Parish Sewerage District No. 1 as of December 31, 2008 and 2007, and the related statements of revenues, expenses, and changes in net assets and cash flows for the years then ended, in accordance with Statements of Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

A compilation is limited to presenting in the form of financial statements information that is the representation of management. I have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or any other form of assurance on them.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures and statement of cash flows were included in the financial statements, they might influence the user's conclusions about the District's financial position, results of operations and informed about such matters.



Angela J. Parker, CPA  
April 30, 2009

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**STATEMENTS OF NET ASSETS**

**DECEMBER 31, 2008 AND 2007**

**ASSETS**

	<u>2008</u>	<u>2007</u>
Current Assets		
Cash and cash equivalents	\$526,423	\$533,534
Revenues receivables - Charges for services	7,361	17,575
Due from other governmental entity - St. Tammany Parish Waterworks	7,769	12,509
Accrued interest receivable	-	370
Total Current Assets	<u>541,553</u>	<u>563,988</u>
Property, plant and equipment (net of accumulated depreciation)	<u>257,901</u>	<u>226,040</u>
TOTAL ASSETS	<u><u>\$799,454</u></u>	<u><u>\$790,028</u></u>

**LIABILITIES AND NET ASSETS**

Current Liabilities	\$8,022	\$535
NET ASSETS	<u>791,432</u>	<u>789,493</u>
TOTAL LIABILITIES AND NET ASSETS	<u><u>\$799,454</u></u>	<u><u>\$790,028</u></u>

See Accountants' Compilation Report.

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR THE YEARS ENDED DECEMBER 31, 2008 AND 2007**

	<u>2008</u>	<u>2007</u>
<b>OPERATING REVENUES</b>		
Charges for services	\$78,537	\$97,108
<b>OPERATING EXPENSES</b>		
Bank Charges	20	22
Board Member Fees	3,420	2,610
Bookkeeping	2,520	2,770
Depreciation	6,269	3,792
Fees	1,986	934
Insurance	2,703	2,452
Office supplies and expenses	462	497
Postage	889	721
Professional services	4,080	4,080
Repairs & Maintenance	52,202	127,288
Telephone	311	263
Utilities	17,819	20,150
Total operating expenses	<u>\$92,681</u>	<u>\$165,579</u>
<b>OPERATING LOSS</b>	(14,144)	(68,471)
<b>NON OPERATING REVENUES AND EXPENSES</b>		
Other Income	-	701
Interest Income	<u>16,083</u>	<u>19,617</u>
<b>NET INCOME (LOSS)</b>	1,939	(48,153)
<b>NET ASSETS AT BEGINNING OF YEAR</b>	<u>789,493</u>	<u>837,646</u>
<b>NET ASSETS AT END OF YEAR</b>	<u><u>\$791,432</u></u>	<u><u>\$789,493</u></u>

See Accountants' Compilation Report.

**ST. TAMMANY PARISH SEWERAGE DISTRICT NO. 1**

**STATEMENTS OF CASH FLOWS**

**DECEMBER 31, 2008 AND 2007**

<b>Cash Flows From Operating Activities</b>	<b>2008</b>	<b>2007</b>
Operating Loss	(\$14,144)	(\$68,471)
Adjustments to reconcile operating loss to cash provided by operating activities:		
Depreciation	6,269	3,792
Decrease/(Increase) in revenue receivables	10,214	(9,929)
Decrease/(Increase) in due from other governmental activity	4,740	46,634
Decrease/(Increase) in accrued interest receivable	-	(96)
Increase/(Decrease) in accounts payable	7,487	(9,860)
Net cash provided by operating activities	<u>14,566</u>	<u>(37,930)</u>
<b>Cash flows from capital and related financing activities -</b>		
Acquisition and construction of capital assets	(38,130)	-
Net cash used in financing activities	<u>(38,130)</u>	<u>-</u>
<b>Cash flows from investing/other activities -</b>		
Receipt of other income	-	701
Receipt of interest	16,453	19,617
Net cash provided by investing/other activities	<u>16,453</u>	<u>20,318</u>
Net increase in cash and cash equivalents	<u>(7,111)</u>	<u>(17,612)</u>
Cash and cash equivalents at beginning of year	533,534	551,146
Cash and cash equivalents at end of year	<u><u>\$526,423</u></u>	<u><u>\$533,534</u></u>

See Accountants' Compilation Report.

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## **Independent Accountant's Report On Applying Agreed-Upon Procedures**

To the Board of Commissioners  
St. Tammany Sewerage District No. 1  
Covington, Louisiana

I have performed the procedures included in the Louisiana Government Audit Guide and enumerated below, which were agreed to by the Management of St. Tammany Sewerage District No. 1 and the Legislative Auditor, State of Louisiana, solely to assist the users in evaluating management's assertions about St. Tammany Sewerage District No. 1's compliance with certain laws and regulations during the years ending December 31, 2008 and 2007 included in the accompanying Louisiana Attestation Questionnaire. This agree-upon procedures engagement was performed in accordance with standards established by the American Institute of Certified Public Accountants and applicable standards of Government Auditing Standards. The sufficiency of these procedures is solely the responsibility of the specified users of the report. Consequently, I make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

### **Public Bid Law**

1. Select all expenditures made during the year for material and supplies exceeding \$20,000, or public works exceeding \$100,000, and determine whether such purchases were made in accordance with LSA-RS 38:2211-2251 (the public bid law).

All purchases were made in accordance with the public bid law

### **Code of Ethics for Public Officials and Public Employees**

2. Obtain from management a list of the immediate family members of each board member as defined by LSA-RS 42:1 101-1124 (the code of ethics), and a list of outside business interests of all board members and employees, as well as their immediate families.

Management provided me with the required list including the noted information. We noted no transactions during the year with any of these parties.

3. Obtain from management a listing of all employees paid during the period under examination.

A list of employees was obtained.

4. Determine whether any of those employees included in the listing obtained from management in agreed-upon procedure (3) were also included on the listing obtained from management in agreed-upon procedure (2) as immediate family members.

None of the employees have a relationship with any of the Commissioners.

### **Budgeting**

5. Obtain a copy of the legally adopted budget and all amendments.

There was no budget obtained, as the entity's only fund is a proprietary fund and is not required to have one.

6. Trace the budget adoption and amendments to the minute book.

Not applicable.

7. Compare the revenues and expenditures of the final budget to actual revenues and expenditures to determine if actual revenues failed to meet budgeted revenues by 5% or more or if actual expenditures exceed budgeted amounts by 5% or more.

Not applicable.

### **Accounting and Reporting**

8. Randomly select six disbursements made during the period under examination and:

- a.) trace payments to supporting documentation as to proper amount and payee;

I examined supporting documentation for each of the six selected disbursements and found that payment was for the proper amount and made to the correct payee.

- b.) determine if payments were properly coded to the correct fund and general ledger account; and

Payments were properly coded to the correct fund and account.

- c.) determine whether payments received approval from proper authorities.

Inspection of documentation indicated proper approval was received concerning disbursements.

### **Meetings**

9. Examine evidence indicating that agendas for meetings recorded in the minute book were posted or advertised as required by LSA-RS 42:1 through 42:12 (the open meetings law).

St. Tammany Parish Sewerage District No. 1 did post notices of meetings as required by LSA-RS 42. 1 through 42.12.

### **Debt**

10. Examine bank deposits for the period under examination and determine whether any such deposits appear to be proceeds of banks loans, bonds, or like indebtedness.

There were no proceeds from bank loans, bonds or like indebtedness.

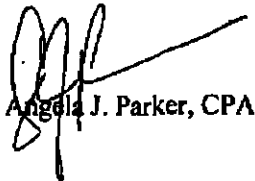
### **Advances and Bonuses**

11. Examine payroll records and minutes for the year to determine whether any payments have been made to employees, which may constitute bonuses, advances, or gifts.

There were no payments noted that may constitute bonuses, advances, or gifts.

I was not engaged to, and did not perform an examination, the objective of which would be the expression of any opinion on management's assertions. Accordingly, I do not express such an opinion. Had I performed additional procedures, other matters might have come to my attention that would have been reported to you.

This report is intended solely for the use of management of St. Tammany Sewerage District No. 1 the Legislative Auditor, State of Louisiana, St. Tammany Parish Government, and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of the procedures for their purposes. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



Angela J. Parker, CPA

April 30, 2009